

No. 11844

IN THE

United States Circuit Court of Appeals

FOR THE NINTH CIRCUIT

---

PAUL W. SAMPSELL, as Trustee in Bankruptcy for  
the Estate of C. A. REED FURNITURE COM-  
PANY, a corporation, Bankrupt,

Appellant,

vs.

LAWRENCE WAREHOUSE COMPANY, a corpo-  
ration,

Appellee.

---

**TRANSCRIPT OF RECORD**

Upon Appeal From the District Court of the United States  
for the Southern District of California  
Central Division

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FILED

APR 1-1948

PAUL F. O'BRIEN,  
CLERK



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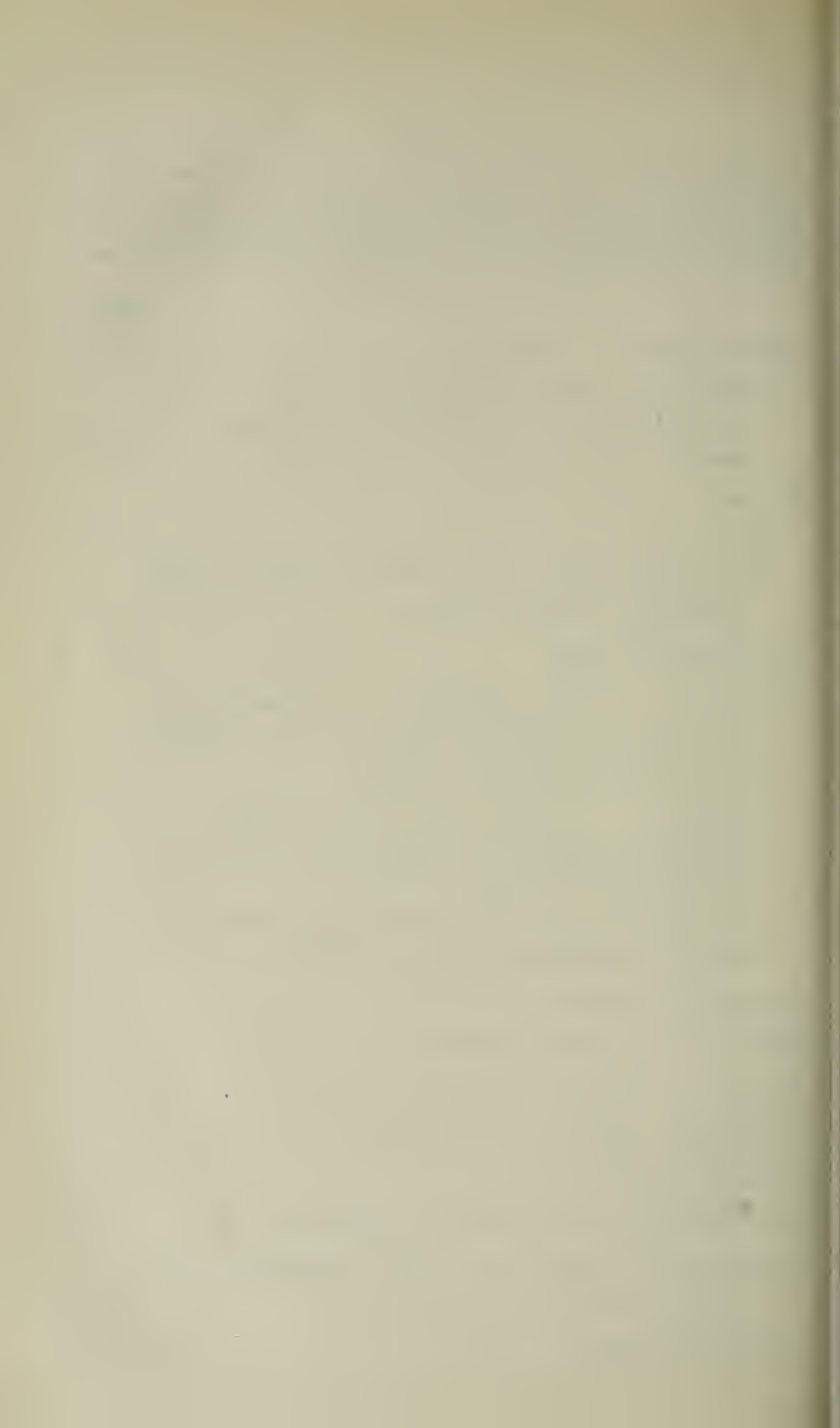
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[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in italics; and likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible an omission from the text is indicated by printing in italics the two words between which the omission seems to occur.]

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In the District Court of the United States  
Southern District of California  
Central Division

No. 7747-Y

PAUL W. SAMPSELL, as Trustee in Bankruptcy for  
the Estate of C. A. REED FURNITURE COM-  
PANY, a corporation, Bankrupt,

Plaintiff,

vs.

CALIFORNIA BANK, a corporation, and LAWRENCE  
WAREHOUSE COMPANY, a corporation,

Defendants.

AMENDED COMPLAINT TO RECOVER PREFER-  
ENCES AND DAMAGES FOR CONVERSION  
OF PERSONAL PROPERTY OF THE BANK-  
RUPT AND FOR AN ACCOUNTING

Comes now plaintiff and for a first cause of action  
against defendants, and each of them, alleges:

I.

That at all times herein mentioned, C. A. Reed Furni-  
ture Company has been a corporation organized, existing  
and doing business under the laws of the State of Cali-  
fornia, with its principal place of business in the City of  
Los Angeles, County of Los Angeles, State of California;  
that on the 11th day of July, 1947, a voluntary Petition  
in Bankruptcy was filed in the above entitled Court, and  
the C. A. Reed Furniture Company on said date was  
adjudicated a bankrupt by the above entitled Court; that  
on the 30th day of July, 1947, at the first meeting of the  
creditors of the said bankrupt which was held before the



Honorable [2] Hubert F. Laugharn, Referee in Bankruptcy, to whom the said matter had theretofore been duly referred, plaintiff herein, Paul W. Sampsell, was duly elected Trustee in Bankruptcy for said bankrupt estate and filed his bond and qualified as such Trustee and has at all times since said date been and now is the duly qualified and acting Trustee in Bankruptcy for the bankrupt estate of C. A. Reed Furniture Company, a bankrupt; that reference to said bankrupt herein shall mean C. A. Reed Furniture Company.

II.

The defendant, California Bank, is now and at all times herein mentioned has been a banking corporation organized, existing and doing business under the laws of the State of California with its principal office and place of business in the City of Los Angeles, County of Los Angeles, State of California.

III.

The defendant, Lawrence Warehouse Company, is now and at all times herein mentioned has been a corporation organized, existing and doing business under the laws of the State of California with its principal office and place of business in the City of Los Angeles, County of Los Angeles, State of California.

IV.

The grounds upon which the jurisdiction of this Court depends are that this is an action brought under the provisions of the National Bankruptcy Act relating to preferences and transfers of property by a bankrupt in fraud of creditors (Title 11, U. S. C. A., Sections 96(a), 96(b), 107(a), 107(e) and 110(e)), for the purpose of recovering property transferred by the bankrupt in fraud

of its creditors to the defendants under circumstances constituting a recoverable preference and for the purpose of having an accounting as to the amount of the preferential payments made to the defendant California Bank, both [3] subsequent to and within the four-month period prior to the filing of the bankruptcy petition in said bankruptcy proceeding.

## V.

Between the period from September 23, 1946, to May 3, 1947, the bankrupt borrowed moneys from the defendant California Bank and executed promissory notes to defendant California Bank evidencing each of such loans. That each of said promissory notes bore interest at the rate of six (6%) per cent per annum and interest thereon was paid to May 1, 1947, and the principal on each of such promissory notes was payable on demand. That the date, principal amount, and unpaid principal balance on each of said promissory notes on June 26, 1947 was as follows:

<u>Amount</u>	<u>Date</u>	<u>Unpaid Balance</u>
\$19,580.00	9-24-46	\$15,340.86
16,400.00	9-13-46	16,400.00
8,250.00	9-4-46	8,250.00
6,000.00	7-18-46	6,000.00
7,624.96	6-5-46	7,624.96
8,020.00	6-6-46	8,020.00
15,000.00	4-22-46	4,246.22
19,081.33	5-31-46	19,081.33
5,000.00	5-2-47	5,000.00

That the total unpaid principal balance on said notes, as of June 26, 1947, and as of July 3, 1947, was \$89,963.37.

## VI.

During the period between a date on or about the 23rd day of September, 1946, and May 3, 1947, the said bankrupt caused to be delivered to defendant California Bank certain warehouse receipts more particularly hereinafter described as security for the payment of the indebtedness described under Paragraph V hereinabove. The said warehouse receipts were signed and issued by defendant Lawrence Warehouse Company, and [4] there is attached hereto and marked Exhibit "A", a copy of one of said warehouse receipts. That all of the said warehouse receipts were identical in form except that they covered different merchandise, and each was individually numbered and bore the date on which such warehouse receipt was issued. That the said warehouse receipts were respectively numbered as follows: Nos. W 61090, W 61091, W 61092, W 63028, W 69670, W 70009, W 70017, W 70062, W 70064, W 70069, W 71303, W 71310, W 71325, W 71643, W 71646, W 72454, W 72458, W 72461, W 72462, W 72463, W 72465, W 72466, W 72767, W 72468, W 72469, W 72471, W 72472, W 72473, W 72474, W 72475, W 72926, W 72927, W 72928, W 72929, W 72930, W 72931, W 72932, W 72933, W 72934, W 72935, W 72937, W 72938, W 72939, W 72940, W 72941, W 72942, W 72943, W 72944, W 72945, W 72946, W 72947, W 72948, W 72949, W 72950, W 72951, W 72952, W 72953, W 72954, W 72955, W 72956, W 72957, W 72958, W 72959, W 72960, W 72961, W 72962, W 72963, W 72964, W 72965, W 72966, W 72967, W 72969, W 72970, W 72971, W 72972, W 72973, W 72975, W 72976, W 72977, W 72978, W 72979, W 72980, W 72981, W 72982, W 72983, W 72984, W 72985, W 72986, W 72987, and W 72989.

That the said warehouse receipts purported to cover inventory and merchandise of the bankrupt, and that from time to time after the issuance of such warehouse receipts, and prior to the 3rd day of July, 1947, portions of such merchandise were released by defendants to the bankrupt. That there is attached hereto and marked Exhibit "B", a list of all the inventory and merchandise which was covered by and described in the said warehouse receipts. That prior to the 3rd day of July, 1947, defendants released to the bankrupt a portion of the inventory and merchandise described under said Exhibit "B", and the portion of such merchandise and inventory so released is listed and described in the schedule attached hereto and marked [5] Exhibit "C". That all of the said merchandise and inventory covered by and described in said warehouse receipts was at all times herein mentioned located in the City of Los Angeles, County of Los Angeles, State of California. That each of the said warehouse receipts bears endorsements upon it indicating the merchandise which was respectively released under each such warehouse receipt and delivered to the bankrupt prior to the 3rd day of July, 1947.

#### VII.

That the said bankrupt was at all times herein mentioned the owner of all of the merchandise and inventory described in said warehouse receipts and described in Exhibit "B" attached hereto. That the reasonable market value of all of said inventory and merchandise has been at all times herein mentioned the sum of \$83,808.00.

#### VIII.

Prior to the issuance of the warehouse receipts hereinabove described, the bankrupt and defendant Lawrence



Warehouse Company signed purported leases whereby the bankrupt purported to lease to defendant Lawrence Warehouse Company certain space in the bankrupt's premises at 4424 East 49th Street, and at 2030 Bay Street, in Los Angeles, California, and such space was partitioned off from the space in each of said premises used by the bankrupt. Plaintiff is informed and believes, and upon such information and belief alleges that all of the merchandise and personal property described in said warehouse receipts was at all times since the date of the issuance of the warehouse receipts respectively covering such merchandise and personal property, and up to the time of its delivery to defendant California Bank on or about the 3rd day of July, 1947, as hereinafter alleged, kept and maintained in the enclosed portions of the bankrupt's premises covered by said purported [6] leases from the bankrupt to defendant Lawrence Warehouse Company; that each of the purported leases from the bankrupt to defendant Lawrence Warehouse Company covering said space contained the following provision:

“ . . . with the appurtenances, together with the full right of ingress and egress to and from said premises, over and through any other premises of the lessor, to be occupied for the conduct of a field warehouse on a tenancy from month to month, and until said tenancy shall be terminated by a thirty (30) day written notice given by either party to the other, for the aggregate rental of One Dollar (\$1.00), the receipt of which is hereby acknowledged: provided, that no notice of termination by lessor shall become effective unless all warehouse receipts, or other evidence of the storage, representing commodities stored in or on said premises, or any part there-

of, issued by lessee shall have been surrendered to lessee and cancelled, and all charges of lessee due or to become due in connection with the operation of such warehouse shall have been fully paid.”;

that prior to the issuance of such warehouse receipts, defendant Lawrence Warehouse Company designated one or more of the bankrupt's employees as the defendant Lawrence Warehouse Company's watchmen and caretakers, and instructed each of such persons to watch and care for the merchandise and personal property described in said warehouse receipts, and not to permit the bankrupt or anyone else to remove any such merchandise or personal property without the consent of defendant Lawrence Warehouse Company; that the said employees so designated as watchmen for defendant Lawrence Warehouse Company were at all times thereafter paid their salaries by defendant Lawrence Warehouse Com- [7] pany, and the bankrupt periodically reimbursed defendant Lawrence Warehouse Company for the salaries so paid by such defendant to such employees; that each of such employees continued at all times to perform the same services for the bankrupt which each such employee had been performing for the bankrupt prior to such employee's designation as a watchman for defendant Lawrence Warehouse Company, and continued to take and receive instructions from the bankrupt with respect to the performance of all such services; that such persons so designated as watchmen by defendant Lawrence Warehouse Company were the only persons, other than defendant Lawrence Warehouse Company and its officers and employees, who had keys to the entrances to the partitioned-off space where such merchandise and personal property was kept and maintained.

IX.

None of the warehouse receipts referred to in this amended complaint, at the time of their issuance, or at any time, contained any statement as to the rate of storage per month or season, or as to any rate of storage charges being charged by or to be paid to defendant Lawrence Warehouse Company, as required by the laws of the State of California, or at all. (Section 1858(b) and 1858(f), Civil Code, and Act 9059, General Laws). That each of the said warehouse receipts was at all times void, invalid and of no force and effect.

X.

That on the 3rd day of July, 1947, the defendant California Bank purported to sell all of the properties described under Exhibit "B", with the exception of the properties released to the bankrupt, as listed and described in Exhibit "C", to itself at a pledgee sale, and on said date, said defendant California Bank took possession and control of all of the said merchandise and personal property, and defendant [8] Lawrence Warehouse Company delivered its possession and control of said merchandise and personal property to defendant California Bank.

XI.

Plaintiff is informed and believes, and upon such information and belief alleges that subsequent to the 3rd day of July, 1947, the defendant California Bank has sold and disposed of the merchandise and personal property and has received and kept for its own use and benefit the proceeds and moneys received from such sale.

XII.

Plaintiff is informed and believes, and upon such information and belief alleges: That the defendants and

each of them have at all times since a date on or about the 11th day of March, 1947, had reasonable cause to believe that the said bankrupt was insolvent; that at all times since a date prior to the 11th day of March, 1947, said bankrupt has been insolvent within the meaning and provisions of the National Bankruptcy Act; that at all times since a date prior to the 11th day of March, 1947, the aggregate of the bankrupt's property taken at a fair valuation has been insufficient to pay and discharge all of the bankrupt's debts; that at all times since a date prior to March 11, 1947, the reasonable market value of all of the bankrupt's property and assets and all of the bankrupt's cash has never at any time been sufficient to pay and discharge all of the bankrupt's debts existing at any time since a date prior to March 11, 1947; that the transfer of the property and merchandise covered by said warehouse receipts to defendant California Bank, and the acquisition of the same by defendant California Bank, as herein alleged, has enabled defendant California Bank to obtain a greater percentage in payment of the indebtedness owing by the bankrupt to it than other creditors [9] of the bankrupt of the same class as defendant California Bank have obtained or will obtain; that defendants and each of them have at all times since a date on or about the 11th day of March, 1947, known and have had reasonable cause to believe the existence of all of the facts alleged under this Paragraph XII.

### XIII.

Plaintiff is informed and believes, and upon such information and belief alleges that at the time of the filing by the bankrupt of its petition in bankruptcy, it was indebted on account of wages due workmen of the bankrupt



and earned within three months prior to the filing of said bankruptcy petition in an amount in excess of \$6,000.00; that at such time the bankrupt was indebted to the United States on account of unpaid taxes in an amount in excess of \$13,000.00; that at such time the bankrupt was indebted to the State of California in an amount in excess of \$7,900.00 on account of unpaid unemployment taxes and sales taxes; that at said time the bankrupt was indebted to the County of Los Angeles on account of unpaid taxes assessed against the bankrupt's property in an amount in excess of \$10,700.00; that at said time the bankrupt was indebted to the City of Los Angeles on account of unpaid license taxes and city sales taxes in the amount of \$117.96; that at said time the bankrupt was indebted on accounts receivable to trade creditors in an amount in excess of \$76,000.00; that at said time the said bankrupt was indebted on account of trade acceptances and notes payable to persons other than defendant California Bank and the Reconstruction Finance Corporation, in an amount in excess of \$60,000.00; that the aggregate indebtednesses of the bankrupt at the time of the filing of the petition in bankruptcy was in excess of \$173,717.96; and that said amount does not include any indebtedness of the bankrupt to the defendant California Bank, or to any other creditor of the [10] bankrupt having or claiming any security for its indebtedness. That the total property, assets, and moneys of the bankrupt, excluding any claims and causes of action to recover preferences such as the cause of action set forth herein is not in excess of \$25,000.00. That there has come into the hands of plaintiff properties, assets, and moneys of the bankrupt in an amount not exceeding \$25,000.00, and that unless plaintiff recovers the preferences herein sought

to be recovered, together with preferences which plaintiff is seeking to recover in another action in the above entitled court against defendants Reconstruction Finance Corporation and Lawrence Warehouse Company, there will not be sufficient assets to discharge the debts of the bankrupt which have priority.

#### XIV.

That plaintiff has been damaged by the loss and conversion of the said inventory and merchandise in the sum of \$83,808.00. That although plaintiff has demanded that defendants pay the said sum to plaintiff, defendants have failed, neglected, and refused to pay the same or any part thereof.

For a Second, Separate, and Distinct Cause of Action Against Defendant California Bank, Plaintiff Alleges:

##### I.

Plaintiff repeats, readopts and realleges each and every allegation contained in Paragraphs I, II, and IV of the first cause of action herein.

##### II.

That during the period between March 11, 1947 and July 11, 1947, the date of the filing of the bankruptcy petition, the defendant California Bank loaned and advanced to the bankrupt various sums of money and received from the bankrupt as security for such loans warehouse receipts covering merchandise [11] and inventory belonging to the bankrupt, and that during said four-month period, defendant California Bank released merchandise covered by such warehouse receipts to the said bankrupt upon receiving payments from said bankrupt on account of such loans, and that during said four-month

period, defendant California Bank received moneys from the bankrupt in payment of principal on said loans. That the amount of such moneys so received by defendant California Bank exceeded the reasonable market value of merchandise and inventory released by defendant California Bank to the bankrupt on account of such payments by a sum in excess of \$13,787.00. That the plaintiff does not know the dates or amounts of each of such loans, nor the dates or the amounts of each cash payment made by the bankrupt to the California Bank during said four-month period. That plaintiff does not know the descriptions, quantities, or exact values of merchandise released to the bankrupt by defendant California Bank during said four-month period for the reason that the records relating to the same are in the possession of defendant California Bank. That plaintiff has requested of defendant California Bank that it furnish plaintiff with all of such information in order that plaintiff could determine the exact amount of moneys which defendant California Bank has received during said four-month period from the bankrupt, and in consideration of its releasing such merchandise and inventory in excess of the value of merchandise and inventory released from said warehouse receipts to the bankrupt during said period. That defendant California Bank has failed, neglected, and refused to furnish plaintiff with such information, and that an accounting is necessary to determine the exact amount of preferential payments received by defendant California Bank during said four-month period in connection with releases of inventory and merchandise which said defendant held as collateral security [12] for loans made by it to the bankrupt.

## III.

Plaintiff is informed and believes, and upon such information and belief alleges: That the defendants and each of them have at all times since a date on or about the 11th day of March, 1947, had reasonable cause to believe that the said bankrupt was insolvent; that at all times since a date prior to the 11th day of March, 1947, said bankrupt has been insolvent within the meaning and provisions of the National Bankruptcy Act; that at all times since a date prior to the 11th day of March, 1947, the aggregate of the bankrupt's property taken at a fair valuation has been insufficient to pay and discharge all of the bankrupt's debts; that at all times since a date prior to March 11, 1947, the reasonable market value of all of the bankrupt's property and assets and all of the bankrupt's cash has never at any time been sufficient to pay and discharge all of the bankrupt's debts existing at any time since a date prior to March 11, 1947; that the receipt by defendant California Bank of the said moneys in excess of the reasonable value of merchandise and inventory released by such defendant to the bankrupt has enabled defendant California Bank to obtain a greater percentage in payment of the indebtedness owing by said bankrupt to it than other creditors of the bankrupt of the same class as defendant California Bank have obtained or will obtain; that defendant California Bank has at all times during the period that it received such excess moneys known and had reasonable cause to believe the existence of all of the facts as alleged under this Paragraph III.



IV.

Plaintiff repeats, readopts and realleges each and every allegation contained in Paragraph XIII of his first cause of action herein. [13]

For a Third, Separate, and District Cause of Action Against Detendant California Bank, Plaintiff Alleges:

I.

Plaintiff repeats, readopts, and realleges each and every allegation contained in Paragraphs I, II, and IV of the first cause of action herein.

II.

That during the period between March 11, 1947, and July 11, 1947, the date of the filing of the bankruptcy petition, the defendant California Bank loaned and advanced to the bankrupt various sums of money and received from the bankrupt as security for such loans pledges of accounts receivable payable to the bankrupt. That defendant California Bank has collected on account of said accounts receivable moneys in excess of the moneys which the California Bank loaned to the bankrupt during said four-month period. That plaintiff is informed and believes, and upon such information and belief alleges that the moneys so collected by defendant California Bank during said four-month period in excess of loans made by defendant California Bank during said period are in excess of Forty Thousand Dollars (\$40,000.00), and that defendant California Bank has accounts receivable so pledged and assigned to it by the bankrupt in the sum of approximately Fourteen Thousand Dollars (\$14,000.00) which defendant California Bank is seeking to collect, and which said California Bank will receive from the debtors on such accounts receivable.

That plaintiff does not know the exact amount of moneys loaned by defendant California Bank to the bankrupt during said four-month period, nor the total value or descriptions of accounts receivable received by said California Bank, as pledgee, to secure such loans during said four-month period. That plaintiff does not know the full amount of moneys collected [14] by defendant California Bank on account of such pledges of accounts receivable, nor the full amount of such pledged accounts receivable that remain unpaid, for the reason that all such information is in the possession of the defendant California Bank. That plaintiff has requested that defendant California Bank furnish plaintiff with such information, but the defendant California Bank has failed, neglected, and refused to furnish the same to plaintiff. That an accounting is necessary to determine all such matters, and to determine the amount collected by defendant California Bank on account of pledged accounts receivable during the four-month period preceding the filing by the bankrupt of its bankruptcy petition, and to determine the amount by which such collections exceed the amount of loans made by the defendant California Bank during said four-month period to the bankrupt, and also to determine the value of such pledged accounts receivable which have not been thus far collected by defendant California Bank.

### III.

Plaintiff is informed and believes, and upon such information and belief alleges: That the defendants and

each of them have at all times since a date on or about the 11th day of March, 1947, had reasonable cause to believe that the said bankrupt was insolvent; that at all times since a date prior to the 11th day of March, 1947, said bankrupt has been insolvent within the meaning and provisions of the National Bankruptcy Act; that at all times since a date prior to the 11th day of March, 1947, the aggregate of the bankrupt's property taken at a fair valuation has been insufficient to pay and discharge all of the bankrupt's debts; that at all times since a date prior to March 11, 1947, the reasonable market value of all of the bankrupt's property and assets, including accounts receivable, and all of the bankrupt's cash has never at any time been [15] sufficient to pay and discharge all of the bankrupt's debts existing at any time since a date prior to March 11, 1947; that the receipt by defendant California Bank of the moneys collected from such accounts receivable in excess of loans made by defendant California Bank during said four-month period for which such accounts receivable were assigned has enabled defendant California Bank to obtain a greater percentage in payment of the indebtedness owing by said bankrupt to it than other creditors of the bankrupt of the same class as defendant California Bank have obtained or will obtain; that defendant California Bank has at all times during the period that it received such excess moneys known and had reasonable cause to believe the existence of all of the facts as alleged under this Paragraph III.

## IV.

Plaintiff repeats, readopts and realleges each and every allegation contained in Paragraph XIII of his first cause of action herein.

Wherefore, plaintiff prays judgment against defendants and each of them as follows:

1. That plaintiff do have and recover from defendants and each of them the sum of \$83,808.00 upon his first cause of action;

2. That defendant California Bank be required to account to plaintiff by reason of the transactions described under his second and third causes of action herein, and that plaintiff recover of and from defendant California Bank such amount as such accounting may show that the defendant California Bank received as preferential payments during the four-month period preceding the filing of the bankrupt's bankruptcy petition; [16]

3. That plaintiff recover his costs herein, and such other relief as to the court may seem just and proper.

FRANK C. WELLER and  
JAMES A. McLAUGHLIN

By James A. McLaughlin

Attorneys for Plaintiff [17]



# LAWRENCE WAREHOUSE COMPANY



COPY OF WAREHOUSE RECEIPT NO. W 72462

LOS ANGELES, CALIFORNIA

DATE FEBRUARY 29, 1947

G.A. REED FURNITURE COMPANY  
LOS ANGELES, CALIF.

WAREHOUSE NO. 185

200 Bay Street

INSURED  
TERMS AND CONDITIONS  
REVERSE HEREOF

STORAGE IN

ED AT

CT TO ALL THE TERMS AND CONDITIONS CONTAINED HEREIN AND ON THE REVERSE HEREOF FOR THE PROLONGATION OF AND TO BE  
ERED WITHOUT SURRENDER OF THIS WAREHOUSE RECEIPT UPON WRITTEN ORDER OF

CALIFORNIA BANK

NO UNITS SAID TO BE OR CONTAIN EXTENSION OF

665 1/2 lbs #5 Springs	10	665 80
127 " #6 "	10	12 70
2275 " #6 "	20	227 70
13,000 yds 3/8 White webbing 2/4 Stride /100 yds	9 39	1280 70
344 lbs 40/60 Duck Down & Feathers	2 98	69 02
10,671 " Raw Colchicken Feathers	07	706 97
992 " White "	09	89 86
12,008 " " " "	07	848 56
1661 1/2 " White Duck Feathers	95	1578 63
1460 " Raw Duck Quill	15	219 60
838 " Raw Duck Feathers	93	773 36
1283 " Raw Turkey Feathers	06	76 36

895 77

DO NOT ACCEPT THIS WAREHOUSE RECEIPT IF ANY CORRECTIONS OR ERASURES APPEAR HEREON

TO LEND FOR STORAGE HAND, NO. 1  
AND OTHER CHARGES AS PER CONTRACT  
WITH THE INDUSTRY SERVED  
OF MERCHANDISE NOT COMPLETE UN  
FOR THE GOOD OF THE WAREHOUSE

LAWRENCE WAREHOUSE COMPANY

PER

BONDED WAREHOUSE MANAGER

Lawrence Warehouse Company Office Copy

## RECORD OF RELEASES AND BALANCE ON HAND

ITEM 1			ITEM 2			ITEM 3					
Delivered	Balance	Insurance Balance	Release No.	Delivered	Balance	Insurance Balance	Date	Release No.	Delivered	Balance	Insurance Balance
	665 1/2	665 80			127	12 70					
271	6383	638 30	3/4 65(2)	127			4/1 18	167	2107	210 70	
195	6158	618 81					6/20 62	92	2016	201 60	
243	5945	594 30									
232	5713	571 00									
231	4982	497 90									
<p><i>Handwritten notes and signatures in this section.</i></p>											
ITEM 4			ITEM 5			ITEM 6					
Delivered	Balance	Insurance Balance	Release No.	Delivered	Balance	Insurance Balance	Date	Release No.	Delivered	Balance	Insurance Balance
	13,000	1220 70									
2000	10070	939 00	3/14 68	345			3/14 68	1123	9492	667 80	
3000	7100	657 30					4/21 70(4)	99	8502	595 14	
2000	-	-					4/3 72	746	2556	228 92	
							4/16 73	3365	2191	223 37	
							4/15 75	1500	3190	222 30	
							8/5 77	3190	-	-	

ITEMS 7, 8, 9, 10, 11 AND 12 ON REVERSE SIDE OF THIS SHEET

72462



RECORD OF RELEASES AND BALANCE ON HAND

ITEM 7				ITEM 8				ITEM 9					
Release No.	Delivered	Balance	Insurance Balance	Date	Release No.	Delivered	Balance	Insurance Balance	Date	Release No.	Delivered	Balance	Insurance Balance
		592					18008	500 56				16624	250
20	295	692	62.73	5/26 79	2983	9025	631.75		4/21 2014	482	1124	111	
22	692			6/2 82	4015	5000	320.00		3/26 91	500	674	61	
				5/27 80	5200	0			4/2 22	624			

ITEM 10				ITEM 11				ITEM 12					
Release No.	Delivered	Balance	Insurance Balance	Date	Release No.	Delivered	Balance	Insurance Balance	Date	Release No.	Delivered	Balance	Insurance Balance
		1460	239.00										
142	1460			2/14 68	138					35 62	1213		

INSURED under the conditions as stated on original of this Warehouse Receipt. RECEIVED BY THE WAREHOUSE COMPANY LOS ANGELES, CALIF.

MAR- 1 1947

A. M. 7/3/39 10/11/12/13/14/15/16 P. M.

The face hereof is a copy of original Non-Negotiable Warehouse Receipt bearing the same number and date hereof. This copy is for purposes of certification and is not a Warehouse Receipt. Any reference on this copy to the face of such original Non-Negotiable Warehouse Receipt or the face of this copy includes only that portion of the original Warehouse Receipt or this copy above the words "Lawrence Warehouse Company Office Copy" set forth on the face hereof.

I (we) the undersigned certify and guarantee that the face hereof is a true copy of the face of the Lawrence Warehouse Company original Non-Negotiable Warehouse Receipt bearing the same number and date hereof and this copy has been compared by us with the original.

I (we) the undersigned hereby certify and guarantee that I (we) are the legal owners of the commodities set forth on the face hereof and that the quantity and quality stated thereon are correct and that I (we) have delivered the same with this date hereof to the Lawrence Warehouse Company for warehousing purposes in accordance with our storage agreement with them. I (we) hereby authorize the Lawrence Warehouse Company to issue a Non-Negotiable Warehouse Receipt bearing the same number and date hereof covering the above mentioned commodities in the name

California Bank of Bell, Calif.

Depositor G. A. Reed Furniture Company

by *G. A. Reed* Cash Treas.

I the undersigned certify and guarantee that the face hereof is a true copy of the face of the Lawrence Warehouse Company original Non-Negotiable Warehouse Receipt bearing the same number and date hereof and this copy has been compared by me with the original.

I hereby certify that I received on Feb. 27 47 into my custody as Bonded Warehouse Manager of the Lawrence Warehouse Company at its

Los Angeles Warehouse No. 135  
 The commodities set forth on the face hereof have been stored in original Non-Negotiable Warehouse Receipt covering the above mentioned commodities. The original Non-Negotiable Warehouse Receipt was issued and signed by me and such commodities will be released by me from the above mentioned warehouse only in accordance with Lawrence Warehouse Company written instructions which I have herebefore received or may hereafter receive. I realize that to issue such original Warehouse Receipts and the copies thereof or to release such commodities otherwise than in accordance with such written instructions violates the terms of my employment by the Lawrence Warehouse Company and constitutes a fraud upon that Company and the holders of the Warehouse Receipts.

Lawrence Warehouse Company Bonded Warehouse Manager.

INSTRUCTIONS TO LAWRENCE WAREHOUSE COMPANY BONDED WAREHOUSE MANAGER  
 IMPORTANT: The Lawrence Warehouse Company Bonded Warehouse Manager, when making out and signing the original Non-Negotiable Warehouse Receipt bearing the same number and date hereof must forward the signed copy of such Warehouse Receipt ON THE DATE HEREOF to the Lawrence Warehouse Company office at the address of which it is included as in written instructions addressed to such Bonded Warehouse Manager.

RECEIVED BY THE WAREHOUSE COMPANY LOS ANGELES, CALIF.



## EXHIBIT "B"

LAWRENCE WAREHOUSE RECEIPTS AS  
PLEGGED TO CALIFORNIA BANK  
as of 6-24-47

Receipt No.	Item No.	No. of Units	Contents
W 61090	3	350½ lbs	Quill Stock
W 61091	2	192 pcs	India Webbing
W 61092	4	1,767 lbs	Col. Chicken Quills
W 61092	5	1,635 bls	White Chicken Quills
W 61092	8	274 each	H-2 Hassocks
W 63028	7	78 each	Comforters, Balloon Cloth, cut not sewed
W 63028	8	56 each	Comforters, Rose Dust Balloon Cloth, sewed
W 69670	2	105 lbs	Raw Duck Quill
W 70009	1	91 lbs	50/50 Down & Feathers
W 70017	10	161 lbs	Raw white duck quill
W 70062	2	200 lbs	Sisal Pad
W 70064	6	480 lbs	Unpolished Hemp Twine
W 70069	2	3 each	R1401 Chair Quilt Rose Satin
W 70069	3	4 each	R1401 Chair Quilt Blue Satin
W.71303	2	578 lbs	Raw Duck Quill
W 71310	1	8890 lbs	Assorted Special Upholstery springs
W 71325	1	523 yds	LaVergne Rose Ticking 56" Fabric
W 71643	1	368 lbs	17 sacks #28 processed down & Feathers
W 71646	2	1612 lbs	44 bags #28 processed Down & Feathers
W 72454	1	1084 lbs	#28 Stock processed Down & Feathers
W 72458	2	577 yds	56" ACA Type Sateen ticking fabric
W 72461	9	492-4 yds	Gabardine—White
W 72461	10	2638 yds	#900 3" Webbing—2 stripe
W 72461	11	5286 yds	3-3/4" Webbing
W 72461	12	1766 yds	2-3/4" Webbing [20]



Receipt No.	Item No.	No. of Units	Contents
W 72462	1	4982 lbs	#5 Springs
W 72462	3	2016 lbs #8	#8 Springs
W 72462	10	1460 lbs	Raw Duck Quill
W 72463	2	2848 lbs	Chinese Goose Down & Feathers
W 72463	3	10,068 lbs	Chinese Duck Down & Feathers
W 72463	4	335 lbs	50/50 Duck Down & Feathers
W 72463	5	1012 lbs	Duck Down & Feathers #35 Stock
W 72463	7	10,654 lbs	India Staple Cotton
W 72465	1	1 each	Chair in T 19855 Cerise, #R1217A
W 72465	5	6 each	R74 Chair in Remnants
W 72465	7	1 each	R 805A Chair in T1 7187 Turq. Plush
W 72465	9	1 each	J 506A Chair in 7816 Blue 107
W 72466	4	1 each	R 299A Chair in S6 Rose
W 72466	5	2 each	R 67 Chairs in H3 2678 Blue
W 72466	6	1 each	R 1057A Chair in Q1 3832 Raspberry
W 72466	7	1 each	R 3305½ Chair in C8 58 BK 190-472
W 72466	10	2 each	J 519A Chair in Muslin
W 72466	11	1 each	J 501A Chair in W4 Fenton 14-3A Blue
W 72466	12	1 each	J 519A Chair in Muslin
W 72467	1	1 each	R 822A Chair in C1 Coral Bea Rose
W 72467	2	10 each	R 103 Chair in Remnants
W 72467	20	1 each	R 370A Sofa in I. S. R1 3151 Blue, O. S. S2 Ace Lt. Bl.
W 72467	11	1 each	R 370A Chair in I. S. R1 3151 Blue O. S. S2 Ace Lt. Bl.
W 72467	12	1 each	R 1115B in Quilt. Caligio Terra
W 72468	3	1 each	R 401A Chair in W1 866 Rose Mohair
W 72468	4	1 each	R 45A Chair in M1 13789-305 Blue
W 72468	5	1 each	R 1115 BX Chair in C1 582-317 Green Plaid
W 72468	6	1 each	R 410A Sofa in W1 866 Rose Mohair [21]

Receipt No.	Item No.	No. of Units	Contents
W 72468	7	1 each	R 410A Sofa in W4 Fenton 14-3A Rose
W 72468	8	1 each	R 370A Love Seat in I. S. L3P2090 O. S. A3 2007 Green
W 72468	9	1 each	R 410A Chair in W4 Fenton 14-3a Rose
W 72468	10	1 each	R 370A Sofa in P & A Plum Cretone
W 72468	11	1 each	R 1057K Chair in B4 4415 Green
W 72468	12	1 each	R 1055A Sofa in 6446-2 Green Chintz
W 72469	1	1 each	R 410A Sofa in W1 866 Blue Mohair
W 72469	2	1 each	R 410A Chair in " " " "
W 72469	3	2 each	R 495A Center Sec. in Frenso Crash
W 72469	4	2 each	R 495A End Sec. In " "
W 72469	5	1 each	J513A Sofa in 46014 Rose Beige
W 72471	5	1174 yds	Printed Muslin-Flowered
W 72472	2	81 yds	Caliglo Quilted Terro Cotta Fabric
W 72473	1	21 yds	A3 2678 Wine Stripe damask fabric
	2	182-5 yds	A3 4265 G & A Green Mohair "
	3	13 yds	A3 2007 Velour Emerald Green fabric
	4	7 yds	A3 2678 Blue Stripe Damask "
	5	18 yds	A3 4266 Floral White Fabric
	6	142-1 yds	A3 4267 Wool Lime Fabric
W 72474	1	96 yds	A4 1101 Beige Fabric
	2	48-3 yds	A4 1101 Color 4 "
	4	31-3 yds	A4 1110 Natural "
	6	16 yds	A4 1108 Tapestry "
	7	707 yds	A4 1499 Blue "
W 72475	1	93-5 yds	B2 7588/4 Green Linen Fabric
	2	40-5 yds	B2 7588/12 Beige " "
	3	126 yds	B2 7588/72 Beige " "
	4	109-6	B2 7588/9 Yellow " " [22]

Receipt No.	Item No.	No. of Units	Contents
W 72475	6	25-4 yds	B2 9333-9 Yellow Linen Fabric
W 72926	1	195-2 yds	Worcester 443-1 B2 Fabric
	2	98-1 yds	" 443-5 " "
	3	38-7 yds	" 443-7 " "
	4	8-2 yds	" 443-9 " "
	5	136-7 yds	" 562 " "
	6	37-4 yds	" 564 " "
W 72927	1	80-4 yds	Worcester 568 B2 Fabric
	2	106-7 yds	" 943 " "
	3	201-6 yds	" 967-1 B2 Fabric
	4	105-4 yds	" 967-5 " "
	5	179-1 yds	" 967-42 " "
	6	20 yds	" 976-1 " "
W 72928	1	41-4 yds	" 1025 " "
	2	23 yds	" 1008 " "
	3	109-3 yds	" 1094/92 B2 Fabric
	4	168-5 yds	" 1277/7 " "
	5	96-1 yds	" 1277/4 " "
	6	95-2 yds	" 1277/72 " "
W 72929	1	39 yds	" 1383 " "
	2	60 yds	" 1386 " "
	3	30-4 yds	Linen 9333/9 " "
	4	12 yds	Nublin-Natural " "
	5	71 yds	Nubflex 7943/12 " "
	6	15 yds	B5110 " "
W 72930	1	18 yds	B3 13881-29 Red Fabric
	2	39 yds	B3 13881-13 " "
	3	39-2 yds	B4 469 Blue Fabric [23]



Receipt No.	Item No.	No. of Units	Contents
W 72930	4	39-4 yds	B4 469 Rose Fabric
	6	38-3 yds	B4 469 Turq. Fabric
W 72931	1	82 yds	B4124 4613 Blue Fabric
	2	83-4 yds	B4122 Coral "
	3	207-4 yds	B4102 Rose "
	4	78-4 yds	B4123 Olive "
	5	28 yds	B4103 Green "
	6	15-3 yds	B4 4415 Green "
W 72932	1	26 yds	B4121 Tur. Fabric
	2	173-6 yds	B4101 "
	3	55-6 yds	B5 426A Blue 531 Fabric
	4	50-7 yds	B5 Matelasse Wine "
	5	50-6 yds	B5 Andover Blue "
	6	56-5 yds	B6 5110 C2 Beige "
W 72933	1	48-6 yds	B6 A2 5140 Beige Fabric
	2	15 yds	B 5132 A1 Wine Tap "
	3	15 yds	B 5161 433 Rose 908 "
	4	64-5 yds	B 5100 C1 Beige "
	5	64-4 yds	B5121 Rose Ratine Tap C3 Fabric
	6	76-5 yds	C1 2720 Col 1237 Fabric
W 72934	1	79-5 yds	453 Col 227 Red Fabric C1
	2	17 yds	4664 Col 2219 Rose " "
	3	83 yds	5508 " 203 Lt. Blue Fabric C1
	4	91 yds	Essex Venetian Blue Fabric C1
	5	78 yds	5508 Col 207 Green " "
	6	103-5 yds	582 " 227 Red Check " "
W 72935	1	84-4 yds	C1 582 Col 203 Rlaid Fabric
	2	48-2 yds	C1 5508 Col 212 Gold " [24]

Receipt No.	Item No.	No. of Units	Contents
W 72935	3	118	C1 Coral Sea 2219 Rose Prt Fabric
	4	119	C1 Coral Sea 2201 Beige "
	5	33-4	C1 1151 Col 207 Green "
	78-4		C1 5508 Col 270 Grey "
W 72937	1	63-3 yds	C1 2720 Col 238 Geranium "
	2	57 yds	C1 453 Col 317 "
	3	80-6 yds	C1 453 Col 203 Blue "
	4	35-2 yds	C1 1699-4 2286-20 216 Blue "
	5	49-4 yds	C1 582 Col 240 Rose Plaid "
W 72938	1	59 yds	C1 1152 Col 712 Lime "
	2	125-7 yds	C1 2720/4 Col 219 Rose "
	3	64-1 yds	C1 1152 Col 203 Blue & Silver "
	4	29 yds	C1 Georgian Scroll Col 207 "
	5	325 yds	C1 " " " 201 Beige Fabric
	6	44 yds	C1 " " " 227 Red "
W 72939	1	49 yds	C1 582 Col 317 Green Plaid Fabric
	2	152-7 yds	C1 2720/5 Col 1270 Fabric
	3	21 yds	C1 2720/1 Col 227 Red "
	4	33-6 yds	C1 1120 Col 209 Rose "
	5	96-2 yds	C1 5508 Col 209 Rose "
	6	102-1 yds	C1114 Lime "
W 72940	1	111-2 yds	C1105 French Blue "
	2	83-7 yds	C1120 5511/221 Beige "
	3	40 yds	C1 Essex Citron Green "
	4	62 yds	C1111 Col 240 Rose "
	5	50-7 yds	C1 5508 Col 2020 Gold "
	6	148 yds	C11 91 Green "
W 72941	1	146 yds	C11 91 Red Fabric [25]

Receipt No.	Item No.	No. of Units		Contents
W 72941	2	50	yds	C11 91 Rose Fabric
	3	44	yds	C2 200 Green "
	4	169	yds	C2 200 American Beauty Quilted Fabric
	5	14	yds	C4 4004 Print
W 72942	1	27	yds	C6 Colorcade Shenandoah Fabric
	2	35-2	yds	C6 " Alamo Tan "
	3	18-4	yds	C6 " Sun Valley "
	4	40-3	yds	C6 " Grand Canyon "
	5	36-5	yds	C6 Glencade Sun Valley "
	6	18-2	yds	C6 Alamo Tan Fabric
	7	31-2	yds	C6 Glencade Great Lakes "
	8	36-1	yds	C7 6934/1 Grey Brocade "
W 72943	1	8-5	yds	C7 10067 Turq. Fabric
	2	15	yds	C8 #87 Cocoa "
	3	38	yds	C8 87 Chart "
	4	55-4	yds	C8 87 Blue "
	5	37	yds	C8 87 Red "
	6	13	yds	58K109 Green & Brown Fabric
W 72944	2	18	yds	C8 58 Hi34 Paltinum & Rose Fabric
	3	43	yds	C8 58 BK190 494 Rose & Grey "
	4	23-6	yds	C8 85AH 135 Col 470 Fabric
	5	12-5	yds	C8 58K141 Col 424 "
	6	41-6	yds	C8 58K190 Col 472 Blue & Beige Fabric
W 72945	1	251-4	yds	D1 Santos Lemon Fabric
	2	106-6	yds	D1 Santos Lacquer Fabric
	3	35-1	yds	D1 " Blue "
	4	29-1	yds	D2 9053 Ivory "
	5	20-1	yds	D2 9051 Print Col 5 " [26]

Receipt No.	Item No.	No. of Units	Contents
W 72945	6	15-3 yds	D-2 9050 Col 1 Fabric
W 72946	1	7-4 yds	D2 9032 Col 3 Fabric
	2	10-5 yds	D3 Cotton Stripe Red, Turq, White Fabric
	3	19 yds	D3 548 Stripe Red, Blue Beige "
	4	15-4 yds	D3 549 " " Green " "
	5	71 yds	E1 Clivedon Rose Fabric
	6	20 yds	E1 Clivedon Wine "
W 72947	1	26-4 yds	E1 Faille Turq. Fabric
	2	14-1 yds	E1 Plymouth White "
	3	37 yds	E1 Fenway Blue "
	4	7-1 yds	E1 Jacobean Peach "
	5	47-7 yds	E1 Fenway Wine "
	6	53-3 yds	E1 Jacobean Wine "
W 72948	1	15-5 yds	F1 1765 Lt Green "
	2	32-6 yds	F1 5723 Tan Print "
	3	16-3 yds	F1 7243 Green "
	4	16-4 yds	G1 Arakan Coral Rose Fabric
	5	428 yds	G2 Plain Victorian Beige "
	6	53 yds	G2 Vestal Rose 1339 Fabric
W 72949	1	24-2 yds	G2 3600 Rose & Green Stripe Fabric
	2	49-5 yds	G2 3600 Blue & Rose Fabric
	3	33 yds	G2 3600 " Rose
			Bouquet #7
	4	133-5 yds	G2 3600/1 Wine & Blue Stripe Fabric
	5	68 yds	G2 Woodland Fern Nat Fabric
	6	73-5 yds	G2 Cascade Burnt Orange Fabric
W 72950	1	10 yds	Cascade Chartreuse G2 Fabric
	2	356-4 yds	Dahlia Natural G2 Fabric
	3	9 yds	Victory Bouquet Natural Fabric
	4	9-6 yds	Georgian Wine G2 Fabric [27]

Receipt No.	Item No.	No. of Units	Contents
W 72950	5	12-4 yds	3026 Blue Stripe G2 Fabric
	6	29-4 yds	1040 Ramsey Turq. G2 "
W 72951	1	210 yds	Plain Victorian Rose G2 Fabric
	2	216 yds	" " Plum " "
	3	480 yds	" " Blue " "
	4	39 yds	Quilt Chintz Tan G3 "
	5	31-6 yds	" " Blue " "
	6	63-2 yds	Brown Check " "
W 72952	1	13 yds	G3 Rhododendron Rose "
	2	8 yds	G3 Orwell Blue
	3	37-2 yds	G3 Turq. Bouquet Print "
	4	51 yds	G3 Rhododendron Tan "
	5	90-1 yds	G3 Rosedale Blue "
	6	40 yds	G3 Rhododendron Turq. "
	7	105 yds	G3 2822 Finlay Blue "
W 72953	1	99 yds	G3 2822 Finlay Rose "
	2	155-2 yds	" Cola hand Print-Blue "
	3	91-2 yds	" " " " Rose "
	4	22 yds	" " " " Gold "
	5	44-3 yds	" " " " Tan "
	6	47 yds	" " " " Green "
W 72954	1	64-4 yds	G3 Tan Bouquet Print "
	2	48-4 yds	G3 5200 Yellow Print "
	3	88-4 yds	G3 Rosedale Rose "
	4	24-2 yds	G3 Rhododendron Yellow "
	5	47 yds	G3 1425 Rust "
	6	12-7	G3 1232 Wine & Grey Stripe "
W 72955	1	54-2 yds	G3 Wanderer Red "
	2	30-4 yds	G3 Green Chintz "

Receipt No.	Item No.	No. of Units	Contents
W 72955	3	50 yds	G3 Rhododendron Blue Fabric
	4	18 yds	G3 Orwell Raspberry "
	5	55 yds	G4 #900 Modern Roughtex Rose "
	6	19 yds	G4 Garwood Rose, Canary, Ivory Fabric
W 72956	1	28 yds	Jacobean Plat. Rose, Ivory Fabric
	2	10-4 yds	Victorian 601 Plat. Green, Rose Fabric
	3	8-4 yds	#900 Modern Roughtex Mauve "
	4	48-4 yds	Concert #2 Blue Fabric
	5	106-2 yds	" #1 Red "
	6	46 yds	Victory Satin Putty 6858 "
W 72957	1	132 yds	Victory Satin G6 Fabric Stop Red
	2	181-6 yds	" " " Turq. Fabric
	3	216-6 yds	90/6864 Chartreuse Fabric G6
	4	110-5 yds	Mandarin Woodrose Fabric G6
	5	202-1 yds	Artura Bermuda Coral Fabric G6
	6	667-6 yds	Ascot Spruce Green Fabric G6 and Manchu Red
W 72958	1	521-5 yds	Ascot Cordova Tan Fabric G6
	2	270-5 yds	" Kelly Green " "
	3	23-2 yds	Madarin Melon " "
	4	12-3 yds	Artura Atoll Blue " "
	5	54-6 yds	906872 Turq. " "
	6	209-1 yds	Ascot Brostol Blue " "
W 72959	1	202-4 yds	Ascot Turq. " "
	2	289-1 yds	Ascot Manchu Rose " "
	3	15 yds	Grospoint Madiera Wine " "
	4	13 yds	H1 1500 Gold "
	5	62-8 yds	H1 1500/4 Red " [29]



Receipt No.	Item No.	No. of Units		Contents		
V 72960	2	8	yds	1439/28	Dusty Rose H1	Fabric
	3	45	yds	1439-34	Blue "	"
	4	81-4	yds	H2	Radiance Rose	"
	5	50	yds	H2	Radiance Yellow	"
	6	20	yds	H2	Radiance Blue	"
	V 72961	1	14	yds	Oran	White H2
2		69	yds	Hollywood	Maize H2	"
3		97	yds	"	Grey "	"
4		92	yds	Revere	Rose "	"
5		79½	yds	Revere	Pistachio "	"
6		158	yds	Revere	Chartreuse "	"
V 72962	1	182-2	yds	H2	Crewel Beige Fabric	"
	2	167	yds.	H2	Revere Burgundy	"
	3	35	yds.	H2	Crewel Gold	"
	4	83	yds.	H2	#1000 Eggshell	"
	5	11	yds.	H2	Radiance Ivory	"
	6	70	yds.	H2	Radiance Green	"
V 72963	1	9-7	yds.	Oran	Beige H2	"
	2	35	yds.	H3	Foster 7491 Chart.	"
	3	24-4	yds.	H3	Foster 7160 Turq.	"
	4	16	yds.	H3	Garden Gold	"
	5	30	yds.	H3	Garden Blue	"
	6	40-6	yds.	H3	Farragut 7692 Yellow	"
V 72964	1	12	yds	Foster	7398 H3	"
	2	68-3	yds.	H3	Foster 7694 Lt. Green	"
	3	16	yds.	H3	Dunkirk Chart	"
	4	7-1	yds.	H3	Floral Bouquet Tan	"
	5	23	yds.	H3	Floral Bouquet Rose	"
	6	30	yds.	H3	Farragut 7693 Coral	"

Receipt No.	Item No.	No. of Units	Contents		
W 72965	1	7 yds.	Farragut 7662 Turq.	H3	Fabric
	2	65-5 yds.	Foster 7250 Yellow	"	"
	3	42-4 yds.	Foster 7498 Wine	"	"
	4	1227-7 yds.	Eng. Bouquet Col 25	H4	"
	5	35-8 yds.	Guam Green	H4	"
	6	255 yds.	Trop. Isle 9706	H4	"
W 72966	1	94-6 yds.	H4 Tropical Isle 9705 Lt. Green		Fabric
	2	204-4 yds.	" Tropical Isle 9703 Blue		"
	3	55 yds.	" 4803 Eggshell		"
	4	1101-6 yds.	" Eng. Bouquet Col 23		"
	5	139-2 yds.	" Tropical Isle 9704 Beige		"
	6	125 yds.	" Tropical Isle 9711 Green Dk.		"
W 72967	1	474-6 yds.	Eng. Bouquet Col 26	H4	"
	2	402-1 yds.	Eng. Bouquet Col 27	"	"
	3	94-5 yds.	Guam Red	"	"
	4	16 yds.	H5 1263 Needle Point Tap. Turq.		"
	5	82 yds.	H5 Blue & Gold Stripe Montarey		"
	6	11 yds.	H6 Poppy Hand Print Red & Green		"
W 72969	1	36-4 yds.	H6 Poppy Hand Print Tan & Red		"
	2	90-4 yds.	K1 Garden Natural		"
	3	19 yds.	K1 Garden Blue		"
	4	53-4 yds.	K1 Garden Maize		"
	5	58 yds.	K1 Garden Rose		"
	6	16 yds.	K1 Garden Turq.		"
W 72970	1	41 yds.	Cardinal Raspberry	K1	"
	2	13 yds.	Cardinal Green	"	"
	3	36 yds.	Cardinal Turq.	"	"
	4	50 yds.	Cardinal Rose	"	"



Receipt No.	Item No.	No. of Units	Contents	
V 72970	5	39-1 yds.	Kenvil Spec. Green 21437 K1	Fabric
	6	76-5 yds.	Kenvil Turq.	" "
V 72971	1	83-4 yds.	Kenvil Raspberry	"
	2	15 yds.	Greeley Truquoise	"
	3	203-0 yds.	Greeley Green	"
	4	155 yds.	Greeley Gold	"
	5	140 yds.	Greeley Rose	"
	6	89 yds.	Lattice Rose	"
V 72972	1	12 yds.	Lattice Gold	"
	2	53-2 yds.	Kenvil Rose	"
	3	11 yds.	Kenloom 5228 Grey	"
	4	129-6 yds.	Indian Summer Tan	"
	5	8-6 yds.	K-2 Grey and Wine	"
	6	25-5 yds.	Crestwood Maize	"
	7	58-4 yds.	Crestwood White	"
V 72973	1	53 yds.	K-2 3500 Blue Print	"
	2	47-2 yds.	" 4122 Rose Print	"
	3	35-6 yds.	" Astra Grey	"
	4	33-1 yds.	" Radiance Blue	"
	5	11-4 yds.	" Radiance Ivory	"
	6	58 yds.	" Modern Blue Print	"
V 72975	1	63 yds.	K-3 4161 Stripe	"
	2	16 yds.	" 4272 Wine Stripe	"
	3	25-4 yds.	" 4161 Blue and Gold Stripe	"
	4			
	5	43-2 yds.	K-4 2179-22627-4143 Blue	"
	6	35-2 yds.	" 2198-20474-4143 Rose	"

Receipt No.	Item No.	No. of Units		Contents		
W 72976	1	79-1	yds.	K-4	11020-4143	Chartreuse Fabric
	2	36	yds.	"	2057-29934-4143	Rose "
	3	43-4	yds.	"	Kelley Green	"
	4	34	yds.	"	5403	"
	5	42	yds.	"	4143 Kelley Green	"
	6	98-3	yds.	L-1	5403 Blue	"
W 72977	1	75-2	yds.	L-1	420 Rose	"
	2	106-2	yds.	L-3	P 2090 White Print	
	3	56	yds.	L-3	P 2090 Yellow Print	
	4					
	5	7	yds.	M-1	13779 Col 10 Tuscan Red	"
	6	22	yds.	M-1	13789 Col 455 Chartreuse	"
W 72978	1	19	yds.	M-1	13883 Col 305 Blue	"
	2	14-4	yds.	M-1	13779 Col 27	"
	3	8	yds.	M-1	13789 Col 305 Blue	"
	4	41	yds.	M-1	13792 Col 50 White	"
	5	20	yds.		13779 Col 45 Gold	"
	6	9	yds.	M-2	5631 Rose	"
W 72979	1	16-2	yds.	M-3	E711/281 Green	"
	2	5	yds.	M-3	38200/511 Ash Rose	"
	3	36-4	yds.	M-3	38200/517 Ash Rose	"
	4	40-3	yds.	M-3	T93/231 Chartreuse	"
	5	9-1	yds.	M-3	T93/511 Foam Green	"
	6	20-6	yds.	M-3	T93/511 Ash Rose	"
W 72980	1	26	yds.	M-3	T93/981 Platinum	"
	2	27	yds.	"	605/72 Silver	"
	3	7-7	yds.		T93/821 Fabric M-3	
	5	25-2	yds.		581/RC981 Platinum M-3	"
	6	7	yds.	M-3	3596/71 Silver	"

Receipt No.	Item No.	No. of Units	Contents	
V 72981	1	113-5 yds.	M-3 T93/811 Cerise	Fabric
	2	9-2 yds.	" 687/76 Silver Blue	"
	3	4 yds.	" E698/222 Sky Blue	"
	4	11-4 yds.	T93/221 M-3 Sky Blue	"
	6	17-2 yds.	M-3 581/223 Blue Ratine	"
V 72982	1	11-7 yds.	M-3 3572 52400/IB64 Champagne	Fabric
	2	11-6 yds.	M-3 566/511 Rose	"
	3	6 yds.	E699/71 Silver	" "
	4	10 yds.	M-3 M3100 Silver	"
	5	168-2 yds.	M-6 P2014 Beige	"
	6	24 yds.	M-6 P2014 Grey	"
V 72983	1	10-5 yds.	N-1 7346 Col 7 Blue	"
	2	151½ yds.	P-1 Lennox Rose and Green	"
	3	76-6 yds.	Barbizon Rose P-1	"
V 72984	1	14 yds.	N-1 1101 Col 7 Blue	"
	2	36 yds.	N-1 7816 Col 107 Blue	"
	3	9 yds.	N-2 L20002 Rose	"
	4	141-6 yds.	P-1 Barbizon Ivory	"
V 72985	1	8 yds.	P2 Chatham Green	"
	2	151 yds.	P2 Baltic Rose-	"
	3	62 yds.	Baltic Powder Blue P2	"
	4	9504 yds.	P2 Baltic Chartreuse	"
	5	82-4 yds.	Q-1 3832 Raspberry	"
	6	98-2 yds.	Q-1 3832 Col 607 Chartreuse	"
V 72986	1	404 yds.	R-1 775 Richtex Wine	"
	2	162-5 yds.	R-1 775 Richtex Rose	"
	3	594-7 yds.	R-1 775 Richtex Turquoise	"
	4	18 yds.	R-1 3151 White	"
	5	13-5 yds.	R-1 3139 White	" [34]

Receipt No.	Item No.	No. of Units	Contents	
W 72987	1	97-1 yds.	R-3 51800 Eggshell	Fabric
	2	37 yds.	S-1 Mayhew Wine	"
	3	235-7 yds.	S-2 Raytex Green	"
	4	381 yds.	S-2 Raytex Gold	"
	5	74-3 yds.	S-2 Tan 3235	"
	6	1515-6 yds.	S-2 Raytex Tan	"
W 72989	1	721 yds.	Light Blue Muslin	
	2	195 yds.	Dark Blue Muslin	
	3	56-1 yds.	Caltex Rose	"
	4	166 yds.	Quilted Satin Blue	"
	5	111 yds.	Quilted Satin Rose	"

## EXHIBIT "C"

## WAREHOUSE RECEIPTS

## Releases 5-L - 8-L

Warehouse Receipt No.	Item No.	Units	Size	Description
Release No. 5-L)				
72933	6	16	Yds	C-1 2720-1237 Green
72945	4	9-5	"	D-2 9053-97
72971	4	½	"	K-1 Greeley Gold
72977	3	8-4	"	L-3 P2090 Yellow Print
72942	1	13	"	C-6 Colorcade Shenandoah
72943	6	4-4	"	C-8 58K 109 Green & Brn.
72982	6	24	"	M-6 2014 Grey
72944	3	15	"	C-8 58K190-494 Rose/Grey
72473	1	4-4	"	A-3 2679 Wine
72948	6	4-6	"	G-2 Vestal Rose
72950	2	24-4	"	G-2 Dahlia Natural
72982	4	3	"	M-3 3100 Silver
72474	4	10-4	"	A-4 1110 Natural
72961	5	5-4	"	H-2 Revere Pistachio
72966	5	20	"	H-4 Tropical Isles Beige
72979	3	2	"	M-3 38200-517 Ash Rose
72949	1	17-2	"	G-2 3600-1 Rose & Green
72938	5	1	"	C-1 Georgian Scroll Beige
72463	7	1960	Lbs	India Staple Cotton
70009	1	91	"	50/50 Down & Feathers
72965	1	7	yds	H-3 7662 Turq
72950	1	10	"	G-2 Cascade Chart.
72937	3	6-2	"	C-1 453-203 Blue

Warehouse Receipt No.	Item No.	Units	Size	Description
Release No.	5-L	Sheet	No. 2	
72983	2	20	yds	R-1 Lennox Rose & Green
72939	2	11-4	"	C-1 2720-1270 Grey
72987	1	14-3	"	R-3 51800 Eggshell
72966	6	15	"	H-4 Trop. Isles Dk Green
72977	5	1-4	"	M-1 13799-10 Red
72463	4	335	lbs	50/50 Duck & Down & Feathers
61091	2	24	"	India Webbing
70064	6	170	"	Unpolished Hemp Twine
Release No.	6-L			
72966	5	37	yds	K-4 Trop. Isles Beige
72471	5	85	"	Printed Muslin
72987	6	29-4	"	S-2 Raytex Tan
70069	2	3	ea	R1401 Chair Quilt Rose
70069	3	4	"	" " " Blue
72466	4	1	"	R299A " in S-6 Rose
72466	8	1	"	R1057A " in C-8 58K190
70064	6	310	lbs	Unpolished Hemp Twine
Released No	6-L	Sheet	No. 2	
72463	2	190	lbs	China Goose D/F
72463	5	71	lbs	Duck D/F #35 Stock
72462	1	731	lbs	#5 Springs
72462	3	92	lbs	#8 Springs
69928	8	4	yds	M-1 13763 Blue
72949	1	14	yds	G-2 3600/1 Rose & Green
Release No.	7-L			
72955	3	1-6	yds	G-3 Rhododendron Blue
72985	3	1	"	P-2 Baltic
72987	1	82-6	"	R-3 51800 Eggshell
72966	6	5	"	H-4 Trop. Isles Dk Green
72944	6	5-4	"	C-8 58BK 190-472
72933	4	6	"	B-5100 C-1 Beige Tap. [36]



Warehouse Receipt No.	Item No.	Units	Size	Description
Release No. 7-L Con't.)				
72961	1	10-4	yds	H-2 Oran White
72941	1	12	"	C-1191 Red
72938	5	2	"	C-1 Georg. Scroll Beige
72474	6	16	"	A-4 1108 Tapestry
72962	2	6	"	H-2 Revere Burgundy
72950	2	10	"	G-2 Dahlia Natural
72931	3	4-2	"	B-4102 Rose
72957	6	7	"	G-6 Ascot Spruce Green
72933	5	6-4	"	B-5121 Rose
72971	3	6-4	"	K-1 Greeley Green
72463	7	1960	Lbs	India Staple Cotton
72966	5	4	yds	H-a Trop Isles Beige
72961	5	23	"	H-2 Revere Pistachio
72972	1	7-4	"	K-1 Lattice Gold
72930	2	6-4	"	8-3 13881-13 Red
72933	6	4-4	"	C-1 2720-1237 Green
72935	2	10-4	"	C-1 5508-202 Gold
72970	2	13	"	K-1 Cardinal Green
72971	4	30	"	K-1 Greeley Gold
72959	5	5-6	"	H-1 1500-40 Red
61091	2	24	pcs	India Webbing
72929	4	12	yds	R-2 Nublin Natural
72959	5	14	"	H-1 1500-40 Red
72958	1	11	"	G-6 Ascot Cordova Tan
72960	4	12	"	H-2 Radiance Rose
72940	3	32	"	C-1 Essex Citron Green
72932	1	5-2	"	B-4121 Turq.
72931	5	5-2	"	B-4103 Green
72944	2	4-6	"	C-8 58H-134
72957	5	4-6	"	C-6 Artura Berm. Coral
72945	4	4-4	"	D-2 9053-97 Ivory
72957	1	11-4	"	G-6 Victory Red

Warehouse Receipt No.	Item No.	Units	Size	Description
Release No.	8-L			
72971	4	23	yds	K-1 Greeley Gold
72465	5	1	ea	R-74 Chair in Rem. Cover
72471	5	45	yds	Printed Muslin
72468	5	1	ea	R1115 Bx Chair 6-1 582-31778
72981	2	9-2	yds	M-3 687/76 Silver Blue
72966	5	10	yds	H-4 Trop. Isles Beige
71643	1	468	lbs	#28 Stock Down & Feathers
71646	2	364	lbs	" " " " "
72463	3	1833	lbs	Chinese DD/Feathers
71325	1	523	yds	LaVergne Rose Ticking
72467	2	1	ea	R103 Chair in Rem. Cover

[Endorsed]: Filed Nov. 19, 1947. Edmund L. Smith, Clerk. [37

[Title of District Court and Cause]

NOTICE OF MOTION FOR SUMMARY  
JUDGMENT

To the plaintiff above named and to Frank C. Weller, Esq., and James A. McLaughlin, Esq., and Messrs. McLaughlin, McGinley & Hanson, his attorneys:

You and Each of You Will take Notice that on Monday, the 15th day of December, 1947, at the hour of 10 A. M., or as soon thereafter as Counsel can be heard, in the Courtroom of the United States District Court for the Southern District of California, Central Division, at the Post Office Building in the City of Los Angeles, County of Los Angeles, State of California, the defendant Lawrence [38] Warehouse Company, a corporation, through its Counsel whose names are signed hereto, will move the above entitled Court for a summary judgment against the plaintiff and in favor of the defendant Lawrence Warehouse Company in the above entitled proceeding.

Said motion will be based upon this notice, upon the affidavit of E. C. Yuille and upon the Points and Authorities filed concurrently with this notice and will be made upon the following grounds:

That said affidavit shows that on or about November 14, 1945 the C. A. Reed Furniture Company and defendant Lawrence Warehouse Company entered into a contract whereby Lawrence Warehouse Company undertook to store and warehouse certain goods and commodities for the C. A. Reed Furniture Company; that said contract provided that the storage rate to be charged C. A. Reed Furniture Company was as follows: a location charge of Two Hundred and Fifty Dollars (\$250.00) per annum and a monthly charge of one-tenth of one per cent of

the value of the goods stored in the warehouse; that the warehouse receipts referred to in the complaint on file herein were issued pursuant to said contract and that said receipts refer to and incorporate the terms of said contract; that C. A. Reed Furniture Company at all times knew the storage rate charged it by Lawrence Warehouse Company.

That said Points and Authorities show that even if the requirement of section 1858(b) of the Civil Code of the State of California are not met as regards the inclusion of the storage rate upon warehouse receipts, said receipts are not void and invalid.

That by reason of the foregoing matters, this is a proper case for rendering a summary judgment under Rule 56 [39] of the Rules of Civil Procedure for the District Courts of the United States.

Dated: December 1, 1947.

W. R. WALLACE, JR.

WILLIAM R. RAY

JOSEPH MARTIN, JR.

WILLIAMSON & WALLACE

Attorneys for Defendant Lawrence Warehouse Company,  
a Corporation

MUSICK, BURRELL & INGEBRETSSEN

By Clayton Straub

James C. Ingebretsen

Attorneys for Defendant Lawrence Warehouse Company,  
a Corporation [40]

Received copy of the within Notice this 1st day of Dec., 1947. McLaughlin, McGinley & Hanson, by Y. Findling, Attorneys for Plaintiff.

[Endorsed]: Filed Dec. 1, 1947. Edmund L. Smith, Clerk. [41]

[Title of District Court and Cause]

AFFIDAVIT OF E. C. YUILLE

State of California

County of Los Angeles—ss.

E. C. Yuille, being first duly sworn, deposes and says:

That he is now, and at all times mentioned in plaintiff's complaint was an officer, to-wit, a Vice President of Lawrence Warehouse Company, one of the defendants herein, and is duly authorized to make this affidavit on its behalf;

That on or about November 14, 1945, the C. A. Reed Furniture Company and defendant Lawrence Warehouse Company entered into a contract whereby Lawrence Warehouse Company undertook to store and warehouse certain goods and commodities for the C. A. Reed Furniture Company, a copy of which said contract is annexed hereto, marked "Exhibit A" and made a part hereof; that said contract provided that the storage rate to be charged C. A. Reed Furniture Company was as follows: a location charge of Two Hundred and Fifty Dollars (\$250.00) per annum and a monthly charge of one-tenth of one per cent of the value of the goods stored in the warehouse; that the warehouse receipts referred to in the complaint on file herein were issued pursuant to said contract and that said receipts refer to and incorporate the terms of said contract: that C. A. Reed Furniture Company at all times knew the storage rate charged it by Lawrence Warehouse Company.

E. C. YUILLE



Subscribed and sworn to before me this 29 day of November, : 1947.

(Seal)

LUCY E. ENOS

Notary Public in and for the County of Los Angeles,  
State of California [43]

[“EXHIBIT A”]

[Crest]

[Crest]

LAWRENCE WAREHOUSE COMPANY

FIELD WAREHOUSE STORAGE AGREEMENT

This Agreement, made and entered into at Los Angeles, California, this 14th day of November, 1945, by and between Lawrence Warehouse Company, a California corporation, party of the first part, hereinafter called “Lawrence” and C. A. Reed Furniture Company, Inc., a Corporation, party of the second part, hereinafter called “The Depositor”, in consideration of the mutual covenants and agreements hereinafter contained,

Witnesseth:

1. The depositor hereby employs Lawrence to establish and operate all field warehouses required in the depositor’s business upon the following terms and conditions:

2. The depositor agrees to lease, or cause to be leased, to Lawrence, upon its form of Field Warehouse Lease, adequate warehouse storage space for all commodities to be warehoused so located and constructed as to secure the proper storing and safety of commodities to be warehoused.



3. The depositor agrees to pay to Lawrence for conducting such field warehouse or warehouses, and for storing commodities therein, the following:

Storage Charges:

Furniture Manufacturing Materials:

One tenth of one percent (1/10 of 1%) of value of commodities stored per calendar month or fraction thereof. The second party agrees to report to the first party the values of commodities for which warehouse receipts are issued.

Location Charge:

\$250.00 per year to cover the cost of Fidelity bonds on warehouse employees, regular examinations, supplies, etc., payable upon the issuance of the first warehouse receipt or other evidence of deposit and annually thereafter.

Premiums for insurance on commodities represented by outstanding insured warehouse receipts as provided in the "Insurance Agreement" signed by the depositor and Lawrence.

The storage charges above set forth are subject to an  
Two Hundred Fifty  
annual minimum payment of ~~Five Hundred~~ Dollars  
(\$250.00)  
~~(\$500.00)~~ payable on the date of this agreement and annually thereafter on the same day of each succeeding year during the term of this agreement. Storage charges accruing in excess of minimum payable on or before ten (10) days after date of invoice.

The actual cost incurred by Lawrence for all employees required by Lawrence in the conduct of said warehouse

or warehouses, and in the storing and handling of commodities therein, plus ten percent (10%), payable on or before ten (10) days after date of invoice, such ten percent (10%) to be deducted if all invoices are paid when due.

All license fees, taxes or charges levied or imposed by Federal, State, County or Municipal Governments or governmental agencies upon the operation of said warehouses, payable upon presentation of invoice.

\$ At Cost for installation, preparation of documents, etc., non-recurring, payable in advance.

Bonds covering employees: Warehouse Manager, \$25.00 per quarter; Assistant Warehouse Manager and Watchman, \$6.25 per quarter each, payable annually in advance.

Regular warehouse examinations, \$----- annually, payable in advance.

Special examinations at cost, payable upon presentation of invoice.

All expenses including attorneys' fees incurred by Lawrence incident to conducting any warehouse under this agreement, maintaining possession of the warehoused commodities for the benefit of warehouse receipt holders and the depositor, and in connection with any litigation in which Lawrence or the depositor is a party, payable upon presentation of invoice. [44]

4. Lawrence hereby accepts the employment on the terms hereinbefore set forth, and agrees to extend to the depositor the full benefit of its facilities and experience as a field warehouseman.

5. It is mutually agreed that in the event no warehouse receipts are outstanding at the beginning of or issued during any contract year, and field warehouse storage is not required during such contract year, the obligation of the depositor to pay the minimum storage charges hereinbefore provided for, shall be suspended, and thereafter the term of this agreement shall be extended one year for each year of such suspension. Contract year as used herein shall mean the twelve (12) successive months immediately following the date of this agreement, and each successive twelve (12) month period.

6. It is mutually agreed that all commodities of like description stored pursuant to this agreement may each be warehoused as one general lot of fungible goods, and that the holder of a warehouse receipt shall be entitled to such portion of each such general lot as the amount of each commodity represented by such receipt bears to the whole of such general lot of such commodity.

7. This agreement shall continue in full force and effect for three (3) years from the date hereof, and thereafter for successive three (3) year terms unless either party gives to the other written notice of intention to terminate at least ninety (90) days prior to the expiration of the then current three (3) year term, provided, that no such notice of intention to terminate given by the depositor shall become effective unless all warehouse receipts, or other evidence of the storage of commodities, issued by Lawrence shall have been surrendered to Lawrence and cancelled and all charges of Lawrence shall have been paid prior to the expiration of said term, and provided further, that Lawrence shall have the right to cancel this agreement at any time upon giving thirty (30)

days written notice to the depositor if the depositor is in arrears in payment of charges or is interfering with the operation of any warehouse established pursuant to this agreement.

In Witness Whereof, Lawrence has caused this agreement to be executed by its proper corporate officers and its corporate seal to be hereunto affixed, and the depositor has caused this agreement to be executed by its proper corporate officers and its corporate seal to be hereunto affixed, the day and year first above written.

LAWRENCE WAREHOUSE COMPANY

By A. N. Nickling  
Vice-President

Attest:

M. C. Dedgen  
Assistant Secretary

C. A. REED FURNITURE COMPANY, INC.  
By M. N. Stewart

Attest:

R. W. Foster

Received copy of the within affidavit this 1st day of Dec., 1947. McLaughlin, McGinley & Hanson, by Y. Findling, Attorneys for Plaintiff.

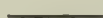
[Endorsed]: Filed Dec. 1, 1947. Edmund L. Smith, Clerk. [45]

[Minutes: Monday, December 15, 1947]

Present: The Honorable Leon R. Yankwich, District Judge.

For hearing motion of defendant Lawrence Warehouse Co., filed Dec. 1, 1947, for summary judgment; James A. McLaughlin, Esq., present for plaintiff; Wm. R. Ray, Clayton Straub, and James C. Ingebretsen, Esqs., present for defendants;

Attorney Ray argues in support of motion, and Attorney McLaughlin argues in opposition. Court orders that plaintiff have five days to submit additional authorities, and defendants have five days thereafter to reply, and that the cause then stand submitted. [46]



[Title of District Court and Cause]

### ORDER ON MOTION FOR SUMMARY JUDGMENT

The Motion of the Defendant Lawrence Warehouse Company for a summary judgment against the plaintiff and in favor of the defendant, heretofore argued and submitted, is now decided as follows:

While the Prayer of the Complaint is directed against both defendants, the only cause of action against the defendant Lawrence Warehouse Company is the first one. This is bottomed upon the proposition that the warehouse receipts are invalid.



I am of the view that the point is not well taken.

The statutes under consideration (Sections 1858(b)(f) California Civil Code and Act 9059, California General Laws) have provided both civil and criminal [47] remedies for failure to comply with the statute. When this is the case, the general rule to the effect that when an instrument is issued in violation of a penal statute, it is invalid, does not apply. The object of the requirement that a warehouse receipt set forth the rate charged is to protect the warehouseman in his lien against the goods. Many similar statutes, including the Idaho statute, have been interpreted by judges in this Circuit and the ruling has been that the failure to do so does not render the warehouse receipt invalid. (See opinion of Judge Cavanah in *Equitable Trust Company vs. A. C. White Lumber Company*, D. C. Idaho, 1930, 41 F. (2) 60 at 65.)

The Motion of the defendant Lawrence Warehouse Company is, therefore, granted.

Dated this 29th day of December, 1947.

LEON R. YANKWICH

Judge

[Endorsed]: Filed Dec. 29, 1947. Edmund L. Smith,  
Clerk. [48]



In the District Court of the United States  
Southern District of California  
Central Division

No. 7747-Y

PAUL W. SAMPSELL, as Trustee in Bankruptcy for  
the Estate of C. A. REED FURNITURE COM-  
PANY, a corporation, Bankrupt,

Plaintiff,

vs.

CALIFORNIA BANK, a corporation, and LAW-  
RENCE WAREHOUSE COMPANY, a corpo-  
ration,

Defendants.

### SUMMARY JUDGMENT

Defendant, Lawrence Warehouse Company, having duly served and filed Notice of Motion for Summary Judgment, and the same having come on regularly for hearing before this Court on the 15th day of December, 1947, and it appearing to the Court, and the Court finding that plaintiff's Complaint against said defendant, Lawrence Warehouse Company, on file herein does not state a cause of action against said defendant, Lawrence Warehouse [49] Company upon the basis of which this Court could grant relief, and it appearing and the Court finding that the warehouse receipts referred to in said Complaint were on their face in all respects valid and according to law; and it appearing and the Court finding that this is a

proper case for the rendering of a Summary Judgment in accordance with Rule 56 of the Rules of Civil Procedure for the Districts Courts of the United States.

Now, Therefore, It Is Hereby Ordered, Adjudged and *Agreed* that plaintiff take nothing from defendant, Lawrence Warehouse Company, by reason of his Complaint herein and that defendant, Lawrence Warehouse Company, have and is hereby granted judgment and its costs of suit incurred herein.

Done in Open Court this 5th day of January, 1948.

LEON R. YANKWICH

District Judge

Approved as to Form as provided in Rule 44.

McLAUGHLIN, McGINLEY & HANSON

By James A. McLaughlin

Attorneys for Plaintiff

Judgment entered Jan. 5, 1948. Docketed Jan. 5, 1948. C. O. Book 47, page 658. Edmund L. Smith, Clerk; by John A. Childress, Deputy.

[Endorsed]: Filed Jan. 5, 1948. Edmund L. Smith, Clerk. [50]

[Title of District Court and Cause]

NOTICE OF APPEAL ON MOTION FOR  
SUMMARY JUDGMENT

Notice is hereby given that Paul W. Sampsell, as Trustee in Bankruptcy for the Estate of C. A. Reed Furniture Company, a corporation, Bankrupt, plaintiff in the above-entitled action, does hereby appeal to the Circuit Court of Appeals for the Ninth Circuit from the final judgment entered in this action on the 5th day of January, 1948 in favor of defendant Lawrence Warehouse Company and against plaintiff above-named and from the whole of such judgment.

Dated: 8th day of January, 1948.

JAMES A. McLAUGHLIN and  
FRANK C. WELLER

By James A. McLaughlin  
Attorneys for Appellant

[Endorsed]: Filed & mld. Copies Musick, Burrell & Ingebretsen, Jan. 9, 1948. Edmund L. Smith, Clerk. [51]

[Title of District Court and Cause]

### CERTIFICATE OF CLERK

I, Edmund L. Smith, Clerk of the District Court of the United States for the Southern District of California, do hereby certify that the foregoing pages numbered from 1 to 54 inclusive contain full, true and correct copies of Amended Complaint to Recover Preferences and Damages for Conversion of Personal Property of the Bankrupt and for an Accounting; Notice of Motion for Summary Judgment; Affidavit of E. C. Yuille; Minute Order Entered December 15, 1947; Order on Motion for Summary Judgment; Summary Judgment; Notice of Appeal on Motion for Summary Judgment; and Appellant's Designation of Contents of Record on Appeal which constitute the record on appeal to the United States Circuit Court of Appeals for the Ninth Circuit.

I further certify that my fees for preparing, comparing, correcting and certifying the foregoing record amount to \$14.00 which sum has been paid to me by appellant.

Witness my hand and the seal of said District Court this 27 day of January, A. D. 1948.

(Seal)

EDMUND L. SMITH

Clerk

By Theodore Hocke

Chief Deputy Clerk

[Endorsed]: No. 11844. United States Circuit Court of Appeals for the Ninth Circuit. Paul W. Sampsell, as Trustee in Bankruptcy for the Estate of C. A. Reed Furniture Company, a corporation, Bankrupt, Appellant, vs. Lawrence Warehouse Company, a corporation, Appellee. Transcript of Record. Upon Appeal From the District Court of the United States for the Southern District of California, Central Division.

Filed January 28, 1948.

PAUL P. O'BRIEN

Clerk of the United States Circuit Court of Appeals for  
the Ninth Circuit

In the United States Circuit Court of Appeals  
for the Ninth Circuit

No. 11844

PAUL W. SAMPSELL, as Trustee in Bankruptcy for  
the Estate of C. A. REED FURNITURE COM-  
PANY, a corporation, Bankrupt,

Plaintiff and Appellant,

vs.

CALIFORNIA BANK, a corporation, and LAW-  
RENCE WAREHOUSE COMPANY, a corpo-  
ration,

Defendants,

LAWRENCE WAREHOUSE COMPANY, a corpo-  
ration,

Appellee.

APPELLANT'S STATEMENT OF POINTS UPON  
WHICH HE INTENDS TO RELY ON APPEAL

To Paul P. O'Brien, Clerk of the Above Entitled Court:

Comes now the above named Appellant, and in connec-  
tion with the above entitled appeal, hereby sets forth the  
points upon which he intends to rely on appeal:

1. Defendant Lawrence Warehouse Company is liable  
for conversion of merchandise covered by invalid ware-  
house receipts where it delivers such merchandise to the  
holder of the invalid warehouse receipt.

2. The warehouse receipts were invalid because they  
did not contain a statement of the rate of storage charges



per month or per season for the merchandise covered thereby, as required by Sections 1858(b) and 1858(f) of the Civil Code of the State of California.

The entire record as certified to you must be printed in its entirety as the above issues of law are framed by the pleadings and judgment in that record.

Dated: February 2, 1948.

JAMES A. McLAUGHLIN and  
FRANK C. WELLER

By James A. McLaughlin  
Attorneys for Plaintiff and Appellant

[Affidavit of Service by Mail.]

[Endorsed]: Filed Feb. 5, 1948. Paul P. O'Brien,  
Clerk.

